

THIS AMENDMENT:		
_____ Passed _____	Passed as amended by _____	
_____ Failed _____	_____ Not Offered _____	_____ Withdrawn _____

GLEASON PROPOSED AMENDMENT # 3

DATE PREPARED: December 14, 2004

COMPANY: UniSource Energy Corporation

DOCKET NO. E-04230A-03-0933

OPEN MEETING DATE: December 20, 2004

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ISSUES CONCERNING DISCLOSURE OF DOCUMENTS

Page 38, line 3. After "proceeding." INSERT "While no order has issued as a result of the Procedural Conference, the Investors, with the consent of E&Y subsequently made available the full portions of the E&Y Report relating to TEP's 2004 rate proceeding, under the provisions of the protective order. We believe the information provided is relevant to this proceeding and that it satisfies the request of the Commissioners."

DELETE lines 4-17 and lines 27-28.

DELETE line 26. INSERT "(Id. at 64-65) Nonetheless, by separate submission, the Investors submitted a letter under the protective order, setting forth their expected internal rates of return. We believe that submission satisfactorily addresses the request for information regarding the Investors internal rate of return. Additionally, while information from the Investors may have some probative value, it is not dispositive. Ernst & Young's analysis was conducted over a year ago and may be considered stale. Furthermore, there is no way to know if Ernst & Young employed methodologies similar to those used by Commission Staff to determine whether a utility is earning a fair rate of return. Finally, the standards used by the Investors to determine whether the acquisition is in their best interests may not be the same review used by the Commission to determine if a utility's revenues are just and reasonable."

Page 39, DELETE lines 1-3 and line 28.

Make all conforming changes.